

File No. 120253

Committee Item No. 1

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance SUB-Committee

Date: April 4, 2012

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget & Legislative Analyst Report |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ethics Form 126 |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
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OTHER

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Completed by: Victor Young

Date: March 30, 2012

Completed by: Victor Young

Date: _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1 [Airline/Airport 2011 Lease and Use Agreement - Various Airlines]

2
3 **Resolution approving four new 2011 Airline/Airport Lease and Use Agreements**
4 **between the City and County of San Francisco and various airlines, effective upon full**
5 **City approval, to conduct flight operations at the San Francisco International Airport.**
6

7 WHEREAS, Various airlines conduct flight operations at the San Francisco
8 International Airport (the "Airport") pursuant to Airline Operating and Space Permits, including
9 WestJet, an Alberta Partnership – Permit 4205; World Airways, Inc. – Permit 4208;
10 MN Airlines, LLC, dba Sun Country Airlines – Permit 4202; and JetBlue Airways Corporation -
11 Permit 4203, (collectively, the "Airlines"); and

12 WHEREAS, The Airport Commission of the City and County of San Francisco (the
13 "City") entered into a new 2011 Lease and Use Agreement (the "2011 Lease") with thirty-eight
14 (38) airlines, effective July 1, 2011, for a term of ten (10) years, and subsequently with one (1)
15 airline, Swiss International Air Lines, LLC, effective December 1, 2011, for a term of nine (9)
16 years and seven (7) months, to provide for the continuation of flight operations and terminal
17 rental by such airlines at the Airport; and

18 WHEREAS, The Airlines now desire to become a signatory to the 2011 Lease, which
19 grants it the right to conduct flight operations and lease certain terminal space from the City
20 under the same terms and conditions, except that the term will be approximately nine (9)
21 years and three (3) months, upon full approval by the City; and

22 WHEREAS, The Commission adopted Resolutions approving the new 2011 Leases
23 between the Airlines and the City, and authorizing the Airport Director to execute the new
24 2011 Leases, subject to the Airlines complying with Chapter 12B of the City's Administrative
25 Code and other City contracting requirements, or obtaining the appropriate waivers thereto,

1 specifically as follows: WestJet, an Alberta Partnership – L11-0239 by Resolution No. 11-0239
2 on October 25, 2011; World Airways, Inc. – L12-0014 by Resolution No. 12-0014 on January
3 17, 2012; MN Airlines; LLC, dba Sun Country Airlines - L12-0015 by Resolution No. 12-0015
4 on January 17, 2012; and JetBlue Airways Corporation – L12-0027 by Resolution 12-0027 on
5 January 31, 2012; and

6 WHEREAS, A copy of the form of the 2011 Lease is on file with the Clerk of the Board
7 of Supervisors in File No. 208-10, which is hereby declared to be a part of this resolution as if
8 set forth fully herein; now, therefore, be it

9 RESOLVED, That this Board of Supervisors approves four (4) new 2011 Leases with
10 WestJet, an Alberta Partnership, - L11-0239; World Airways, Inc. – L12-0014; MN Airlines,
11 dba Sun Country Airlines – L12-0015; and JetBlue Airways Corporation – L12-0027; subject
12 to the Airlines complying with Chapter 12B of the City's Administrative Code and other City
13 contracting requirements, or obtaining the appropriate waivers thereto.

1 EXCLUSIVE USE SPACE SUMMARY

2 (IN SQUARE FEET)

3

AIRLINE	CATEGORIES OF RENT				
	CAT I	CAT II	CAT III	CAT IV	CAT V
WestJet, an Alberta Partnership	0	0	0	0	0
World Airways, Inc.	0	0	0	0	0
MN Airlines, LLC, dba Sun Country	0	0	0	0	0
JetBlue Airways Corporation	-	1,762	1,262	502	410

10

11

12 JOINT USE SPACE SUMMARY

13 (IN SQUARE FEET)

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15 NOT APPLICABLE

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Item 1 File 12-0253	Department: San Francisco International Airport (Airport)
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EXECUTIVE SUMMARY**Legislative Objective**

- The proposed resolution would authorize four new nine-year and three-month Lease and Use Agreements (Leases) from April 1, 2012 through June 30, 2021, between the Airport and (a) JetBlue, (b) WestJet, (c) World Airways, and (d) MN Airlines, for flight operations and a total of 3,936 square feet of Exclusive Use space in the International Terminal, from April 1, 2012 through June 30, 2021, as signatories to the 2011 Lease and Use Agreement.

Key Points

- Airlines can operate at the Airport either by: (a) entering into a lease with the Airport as a signatory airline, or (b) obtaining a month-to-month Airline Operating Permit, under which the airline pays the Airport a 25 percent premium on landing fees, and obtaining a month-to-month Terminal Space and Use Permit, wherein the airline is a non-signatory airline.
- The Board of Supervisors approved a 2011 Lease and Use Agreement with 39 signatory airlines for ten years, from July 1, 2011 through June 30, 2021. In addition, 11 other airlines operate at the Airport as non-signatory airlines, for a total of 50 airlines currently operating at the Airport.
- Jet Blue currently operates at the Airport as a non-signatory airline under a month-to-month Airline Operating Permit, and a separate month-to-month Terminal Space and Use Permit which commenced May 2007. As of July 1, 2011, WestJet, World Airways, and MN Airlines, currently operate at the Airport as non-signatory airlines under month-to-month Airline Operating Permits, which commenced October 2004, May 2003 and June 2004, respectively.

Fiscal Impacts

- Jet Blue currently pays the Airport an average of \$208,839 per month in landing fees as a non-signatory airline. Due to the elimination of the 25 percent premium for landing fees under the proposed lease, JetBlue's landing fees to the Airport would be reduced by \$41,768 to \$167,071 per month from approximately April 1, 2012 through June 30, 2012. The \$38,118 monthly rent being paid by Jet Blue to the Airport for 3,963 square feet of Exclusive Use Space in the International Terminal would remain the same in FY 2011-12. Projected monthly revenues payable by Jet Blue to the Airport for FY 2012-13 are \$176,594 in landing fees and \$40,748 in Exclusive Use Rent, or a total of \$217,342 per month.
- WestJet, World Airways, and MN Airlines currently pay the Airport a combined average of \$94,473 per month in landing fees as non-signatory airlines. With the elimination of the 25 percent premium for landing fees, under the proposed lease, the total landing fees paid by WestJet, World Airways, and MN Airlines to the Airport would be reduced by \$18,895 to \$75,578 per month from approximately April 1, 2012 through June 30, 2012. Projected landing fee revenues from WestJet, World Airways, and MN Airlines to the Airport for FY 2012-13 are estimated at \$79,886 per month.

Recommendation

- Approve the proposed resolution.

MANDATE STATEMENT / BACKGROUND**Mandate Statement**

Section 2A.173 of the City's Administrative Code authorizes the Airport to execute leases of Airport lands and space in Airport buildings without undergoing a competitive bid process, as long as the original term of the lease does not exceed 50 years.

City Charter Section 9.118 states that leases which would result in revenues to the City in excess of \$1,000,000 are subject to Board of Supervisors approval.

Background

Airlines can operate at the Airport either by: (a) entering into a lease with the Airport as a "signatory airline" authorizing the airline to operate flights in and out of the Airport, and to rent an amount of exclusive and non-exclusive space for use by the airline, or (b) obtaining a month-to-month Airline Operating Permit for the operation of flights in and out of the Airport and a month-to-month Terminal Space and Use Permit to rent space as a "non-signatory airline."

According to Ms. Diane Artz, Senior Property Manager at the Airport, there are currently 50 airlines operating at the Airport. Of the 50 airlines, 39 airlines are signatory airlines under the Airport's 2011 Lease and Use Agreement and 11 are non-signatory airlines operating under month-to-month Airline Operating Permits. The 2011 Lease and Use Agreements with the 38 airlines extend for ten years from July 1, 2011 through June 30, 2021 with Swiss Air becoming the 39th signatory airline effective as of December 1, 2011. The Board of Supervisors previously approved four resolutions between 2010 and 2011 for the 39 signatory airlines under the 2011 Lease and Use Agreement (File 10-0351, File 10-1213, File 11-0210 and File 11-1152).

Ms. Artz notes that previous to the 2011 Lease and Use Agreement, there was little incentive for airlines to enter into a lease with the Airport as a signatory airline because both signatory and non-signatory airlines paid the same landing fee rates. However, as part of the 2011 Lease and Use Agreements, as of July 1, 2011, each non-signatory airline is required to pay a 25 percent premium on landing fees in excess of the landing fees paid by the signatory airlines to the Airport. According to Ms. Artz, the 25 percent premium on landing fees for non-signatory airlines was intended to create a financial incentive for non-signatory airlines to enter into long term leases with the Airport instead of operating at the Airport under a month-to-month permit.

Jet Blue has operated passenger service in the International Terminal at the Airport under a month-to-month Airline Operating Permit, as a non-signatory airline and has occupied 3,936 square feet of Exclusive Use Space under a Terminal Space and Use Permit under a month-to-month basis since May 3, 2007.

WestJet has operated passenger service at the Airport as a non-signatory airline on a seasonal basis under a month-to-month Airline Operating Permit since October 4, 2004. WestJet does not rent Airport Terminal space.

World Airways has operated cargo operations at the Airport as a non-signatory airline under a month-to-month Airline Operating Permit since May 1, 2003. World Airways does not rent Airport Terminal space.

MN Airlines¹ has operated passenger service at the Airport as a non-signatory airline under a month-to-month Airline Operating Permit since June 1, 2004. MN Airlines does not rent Airport Terminal space.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve a new Lease and Use Agreement (Lease) between the Airport and Jet Blue, under which Jet Blue would become a signatory airline, for (a) the right to operate flights at the Airport's International Terminal, and (b) occupy a total of 3,936 square feet of Exclusive Use Space in the International Terminal for a period of approximately nine-years and three-months from April 1, 2011 through June 30, 2021.

The proposed resolution would also approve a Lease between the Airport and the following three additional Airlines: (a) WestJet, (b) World Airways, and (c) MN Airlines, under which the three airlines would become signatory airlines, for the right to operate flights at the Airport for a period of approximately nine-years and three-months from April 1, 2011 through June 30, 2021. These three airlines would not rent any Exclusive Use or Non-exclusive Use space at the Airport.

Under the proposed lease agreement, Jet Blue, WestJet, World Airways, and MN Airline would become signatories to the Airport's existing Lease and Use Agreement previously approved in 2010 and 2011 by the Board of Supervisors under four resolutions (File 10-0351, File 10-1213, File 11-0210 and File 11-1152) covering 39 other airlines at the Airport. If the proposed resolution is approved 43 airlines (39 plus 4) would be signatories to the Airport's Lease and Use Agreement, out of the total of 50 airlines currently operating at the Airport. There would be seven non-signatory airlines.

FISCAL IMPACT

Under the terms of the existing Lease and Use Agreement with the signatory airlines, all of the non-signatory airlines, which have operated at the Airport under month-to-month Airline Operating Permits, have been required to pay a 25 percent premium on landing fees in excess of the landing fees paid by the signatory airlines operating.

Currently, under its existing month-to-month Airline Operating Permit, Jet Blue pays the Airport \$208,839 per month in landing fees and \$38,118 in Exclusive Use Rent for 3,963 square feet of Exclusive Use Space in the International Terminal. As of the date the proposed new signatory lease is executed, or approximately April 1, 2012, Jet Blue will no longer be required to pay the Airport the 25 percent premium on landing fees, such that Jet Blue will instead pay an average of \$167,071 per month in landing fees for the remainder of FY 2011-12 as a signatory airline, a

¹ MN Airlines does business as Sun Country Airlines. The name "MN" is an abbreviation for Minnesota.

reduction of \$41,768 per month. The rent of \$38,118 per month for 3,963 square feet of Exclusive Use Space in the International Terminal would remain the same for FY 2011-12.

As shown in Table 1 below, Jet Blue is currently paying an average of \$246,957 per month to the Airport in Landing Fees and Exclusive Use Rent for FY 2011-12. Based on similar levels of passengers and flight activities for the remainder of FY 2011-12 and for FY 2012-13, approval of the proposed resolution would result in Jet Blue paying approximately \$205,189 per month between April 1, 2012 and June 30, 2012 resulting in a monthly reduction of \$41,768 by not having to pay the 25 percent premium on landing fees. The Airport estimates that Jet Blue will pay the Airport \$217,342 per month for FY 2012-13, the first full year under the proposed Lease and Use Agreement.

Table 1: Approximate Monthly Revenues Payable by Jet Blue to the Airport

	FY 2011-12 Rentals Under Non-Signatory Month-to-Month Permits	FY 2011-12 Rentals Under Proposed New Signatory Lease	FY 2012-13 Rentals Under Proposed New Signatory Lease
Landing Fees	\$208,839	\$167,071	\$176,594
Exclusive Use Rent	38,118	38,118	40,748
Total Monthly Revenues:	\$246,957	\$205,189	\$217,342

As shown in Table 2 below, WestJet, World Airways, and MN Airlines currently pay the Airport an average of \$32,221, \$41,785, and \$20,477 respectively in monthly Landing Fees, or a total of \$94,473. As of the date that the proposed new signatory lease is executed, or approximately April 1, 2012, WestJet, World Airways, and MN Airlines will no longer be required to pay a 25 percent premium on landing fees, such that WestJet, World Airways, and MN Airlines will instead pay \$25,769, \$33,428, and \$16,381 per month in landing fees, or a total of \$75,578, between April 1, 2011 and June 30, 2012, resulting in a monthly reduction of \$18,895. The Airport estimates that these three airlines will pay the Airport a total of \$79,886 per month in FY 2012-13.

Table 2: Approximate Monthly Revenues Payable by WestJet, World Airways, and MN Airlines

	FY 2011-12 Monthly Landing Fees Under Non-Signatory Month-to-Month Permit	FY 2011-12 Monthly Landing Fees Under Proposed New Signatory Lease	FY 2012-13 Monthly Landing Fees Under Proposed New Signatory Lease
WestJet	\$32,211	\$25,769	\$27,238
World Airways	41,785	33,428	35,333
MN Airlines	20,477	16,381	17,315
Total Monthly Revenues:	\$94,473	\$75,578	\$79,886

Airport's Break Even Policy

As a result of the Airport's "residual rate setting methodology" (the breakeven policy) used by the Airport to determine rental rates, landing fees, and related fees for all Airlines, the proposed leases between the Airport and Jet Blue, WestJet, World Airways, and MN Airlines, will not result in any budgetary shortfall for the Airport. The residual rate setting methodology is a

formula which sets the schedule of all rental rates, landing fees, and related fees to a level which ensures that Airport revenues received from all of the airlines at the Airport, plus the non-airline revenues received by the Airport, is equal to the Airport's total costs, including debt service and operating expenditures. According to the Airport's breakeven policy, prior to the beginning of each fiscal year, the Airport determines the total airline revenues needed to balance the Airport's budget in the upcoming year, after considering all other non-airline revenue sources (such as concession revenues and parking revenues) and carrying forward any projected budget shortfall or surplus from the current fiscal year.

The amount needed to balance the Airport's budget then becomes the basis for calculating, by a formula specified in the leases with all of the airlines operating at the Airport, the rental rates, landing fees, and related fees charged to the airlines each fiscal year, such that the total revenues paid to the Airport by all airlines and other tenants in the upcoming fiscal year is sufficient to balance the Airport's budget. At the end of the fiscal year, any budgetary shortfall or surplus is carried forward into the following fiscal year and is used in the calculation of the new rental rates, landing fees, and related fees charged to the airlines and other tenants. Therefore, any reductions in landing fees and rental rates do not have a direct fiscal impact on the Airport.

RECOMMENDATION

Approve the proposed resolution.

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 11-0239

APPROVAL OF LEASE AND USE AGREEMENT WITH WESTJET, AN ALBERTA PARTNERSHIP FOR OPERATING RIGHTS AT SAN FRANCISCO INTERNATIONAL AIRPORT.

WHEREAS, WestJet, an Alberta Partnership ("**Airline**") conducts flight operations at San Francisco International Airport ("**Airport**") pursuant to Airline Operating Permit No. 4205; and,

WHEREAS, the Airline wishes to become a signatory airline at the Airport pursuant to a 2011 Lease and Use Agreement ("**2011 Lease**"), a lease comparable to one recently approved for thirty-nine (39) other airlines at the Airport; and,

WHEREAS, the 2011 Lease has a term of ten (10) years and provides for terminal rental and landing fees in accordance with the Airport's Rates and Charges; and,

WHEREAS, the Airport Commission of the City and County of San Francisco, acting by and through its Airport Commission ("**Commission**") and Airline now desires to enter into the 2011 Lease on the same terms and conditions except that the term will be nine (9) years and approximately six (6) months, with the exact term dependent upon full approval of the 2011 Lease by the City; now, therefore, be it

RESOLVED, that this Commission approves the 2011 Lease between WestJet, an Alberta Partnership and the City, consistent with the terms of the attached memorandum, subject to the Airline complying with Chapter 12B of the City's Administrative Code and other City contracting requirements, or obtaining the appropriate waivers thereto; and, be it further

RESOLVED, that the Commission Secretary is hereby directed to request Board of Supervisors' approval of said 2011 Lease and Use Agreement for WestJet, an Alberta Partnership pursuant to City Charter Section 9.118.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of*

OCT 25 2011

Jean Caron

Secretary



San Francisco International Airport

MEMORANDUM

October 25, 2011

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Approval of 2011 Lease and Use Agreement with WestJet, an Alberta Partnership

DIRECTOR'S RECOMMENDATION: RESOLUTION AUTHORIZING A LEASE AND USE AGREEMENT WITH WESTJET, AN ALBERTA PARTNERSHIP FOR OPERATING RIGHTS AT SAN FRANCISCO INTERNATIONAL AIRPORT.

Executive Summary

On June 30, 2011, all 1981 Airline/Airport Lease and Use Agreements and 1999 Lease and Operating Agreements expired. San Francisco International Airport (the "Airport") and the airlines have negotiated a new Lease and Use Agreement (the "2011 Lease") effective July 1, 2011. The 2011 Lease has a term of ten (10) years and continues the current residual rate-setting methodology for terminal rental rates and landing fees based on the Airport's Rates and Charges. Further, the 2011 Lease continues the Annual Service Payment to the City's General Fund.

Between the period of March 16, 2010, and April 7, 2011, the 2011 Lease between the thirty-nine (39) airlines and the City was approved by the Airport Commission and Board of Supervisors. On August 16, 2011, one (1) additional airline was approved by the Airport Commission and is currently awaiting approval by the Board of Supervisors. Staff is now seeking approval of the 2011 Lease with WestJet, an Alberta Partnership ("WestJet") under the same terms and conditions except that the term will commence upon full approval by the City and terminate on June 30, 2021.

THIS PRINT COVERS CALENDAR ITEM NO. 12

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

GAVIN NEWSOM
MAYOR

LARRY MAZZOLA
PRESIDENT

LINDA S. CRAYTON
VICE PRESIDENT

ELEANOR JOHNS

RICHARD J. GUGGENHIME

PETER A. STERN

JOHN L. MARTIN
AIRPORT DIRECTOR

Background

Most of the airlines operating at the Airport were parties to the 1981 Airline/Airport Lease and Use Agreement or the 1999 Lease and Operating Agreement, all of which expired on June 30, 2011. Over the past several years, the Airport and the airlines negotiated the terms of the 2011 Lease, effective July 1, 2011, which has a term of ten (10) years and continues the current residual rate-setting methodology for terminal rental rates and landing fees based on the Airport's Rates and Charges. As of October 1, 2011, of the thirty-nine (39) airlines that were approved by the Airport Commission and Board of Supervisors, thirty-eight (38) airlines have become signatory airlines pursuant to the 2011 Lease. One (1) airline, Mexicana Airlines, ceased operations, filed for bankruptcy and was unable to consummate its 2011 Lease. In addition, one (1) other 2011 Lease was approved by the Airport Commission with Swiss International Air Lines, Limited and is currently awaiting approval by the Board of Supervisors, all as listed on *Attachment A* hereto. The major business terms of this lease are comparable to all 2011 Leases previously approved and implemented.

The Airport has continued to offer the 2011 Lease to any remaining airlines that wish to obtain signatory status at the Airport. On September 26, 2011, WestJet executed and returned the 2011 Lease. WestJet, a seasonal air carrier, will utilize the International Terminal Common Use Gates and support facilities, without a need for any Exclusive Use Space and Joint Use Space. Fees assessed to WestJet for the usage of the gates and support facilities will be subject to the Airport's Rates and Charges. This lease for WestJet contains the same terms and conditions except that the term of this 2011 Lease will be approximately nine (9) years and six (6) months, becoming effective on the date this 2011 Lease is fully approved by the City. Staff is now seeking Commission approval of the 2011 Lease with WestJet, contingent upon approval of the Board of Supervisors.

Recommendation

I recommend adoption of the accompanying resolution that approves the 2011 Lease with WestJet and authorizes the Director to execute a 2011 Lease, and directs the Commission Secretary to request Board of Supervisors' approval of such 2011 Lease in accordance with City Charter Section 9.118.



John L. Martin
Airport Director

Prepared by: Leo Fermin
Deputy Airport Director
Business and Finance

ATTACHMENT A

2011 Leases Effective July 1, 2011

Airline Agreement Title	Lease Number
ABX Air 2011 Lease and Use	L11-0005
Air Berlin 2011 Lease and Use	L11-0006
Air Canada 2011 Lease and Use	L11-0007
Air Cargo Carriers 2011 Lease and Use	L11-0008
Air China 2011 Lease and Use	L10-0075
Air France 2011 Lease and Use	L10-0076
Air New Zealand 2011 Lease and Use	L11-0009
Alaska Airlines 2011 Lease and Use	L10-0274
All Nippon Airways 2011 Lease and Use	L10-0077
American Airlines 2011 Lease and Use	L10-0078
Ameriflight 2011 Lease and Use	L11-0010
Asiana Airlines 2011 Lease and Use	L10-0079
British Airways 2011 Lease and Use	L10-0080
Cathay Pacific Airways 2011 Lease and Use	L10-0081
China Airlines 2011 Lease and Use	L10-0082
Continental Airlines 2011 Lease and Use	L10-0275
Delta Air Lines 2011 Lease and Use	L10-0083
Emirates 2011 Lease and Use	L10-0084
EVA Airways 2011 Lease and Use	L10-0085
Federal Express 2011 Lease and Use	L10-0086
Frontier Airlines 2011 Lease and Use	L10-0087
Hawaiian Airlines 2011 Lease and Use	L11-0011
Japan Airlines 2011 Lease and Use	L10-0088
Kalitta Air 2011 Lease and Use	L10-0277
KLM Royal Dutch Airlines 2011 Lease and Use	L10-0089
Korean Airlines 2011 Lease and Use	L10-0090
LAN Peru 2011 Lease and Use	L11-0012
Lufthansa German Airlines 2011 Lease and Use	L10-0091
Nippon Cargo Airlines 2011 Lease and Use	L10-0278
Philippine Airlines 2011 Lease and Use	L10-0093
Singapore Airlines 2011 Lease and Use	L10-0094
Southern Air 2011 Lease and Use	L10-0279
Southwest Airlines 2011 Lease and Use	L10-0095
Swiss International Air Lines 2011 Lease and Use (<i>*pending Board approval</i>)	L11-0182
TACA 2011 Lease and Use	L10-0096
United Air Lines 2011 Lease and Use	L10-0097
U.S. Airways 2011 Lease and Use	L10-0276
Virgin America 2011 Lease and Use	L10-0098
Virgin Atlantic 2011 Lease and Use	L10-0099

Note: Mexicana Lease L10-0092 , approved in May 2010 was not activated.

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 12-0014

**APPROVAL OF LEASE AND USE AGREEMENT WITH WORLD AIRWAYS, INC.
FOR OPERATING RIGHTS AT SAN FRANCISCO INTERNATIONAL AIRPORT**

WHEREAS, World Airways, Inc. conduct flight operations at San Francisco International Airport ("Airport") pursuant to Airline Operating Permit No. 4208; and

WHEREAS, World Airways, Inc. wishes to become a signatory airline at the Airport pursuant to a 2011 Lease and Use Agreement ("2011 Lease"), a lease comparable to one recently approved for forty (40) other airlines at the Airport; and

WHEREAS, the 2011 Lease has a term of ten (10) years and provides for terminal rental and landing fees in accordance with the Airport's Rates and Charges; and

WHEREAS, the Airport Commission of the City and County of San Francisco (the "Commission") and World Airways, Inc. now desires to enter into a 2011 Lease on the same terms and conditions, except that the term will be nine (9) years and approximately three (3) months, with the exact term dependent upon full approval of the 2011 Lease by the City; now, therefore, be it

RESOLVED, that this Commission approves the 2011 Lease between World Airways, Inc. and the City, consistent with the terms of the attached memorandum, subject to the World Airways, Inc. complying with Chapter 12B of the City's Administrative Code and other City contracting requirements, or obtaining the appropriate waivers thereto; and, be it further

RESOLVED, that the Commission Secretary is hereby directed to request Board of Supervisors' approval of said 2011 Lease and Use Agreement for World Airways, Inc. pursuant to City Charter Section 9.118.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of*

JAN 17 2012

Jean Caronette
Secretary



San Francisco International Airport

MEMORANDUM

January 17, 2012

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Approval of 2011 Lease and Use Agreements with World Airways, Inc. and MN Airlines, LLC, dba Sun Country Airlines

DIRECTOR'S RECOMMENDATION: AUTHORIZE LEASE AND USE AGREEMENTS WITH WORLD AIRWAYS, INC. AND MN AIRLINES, LLC, DBA SUN COUNTRY AIRLINES FOR OPERATING RIGHTS AT SAN FRANCISCO INTERNATIONAL AIRPORT.

Executive Summary

On June 30, 2011, all 1981 Airline/Airport Lease and Use Agreements and 1999 Lease and Operating Agreements expired. San Francisco International Airport (the "Airport") and the airlines have negotiated a new Lease and Use Agreement (the "2011 Lease") to be effective July 1, 2011. The 2011 Lease has a term of ten (10) years and continues the current residual rate-setting methodology for terminal rental rates and landing fees based on the Airport's Rates and Charges. Further, the 2011 Lease continues the Annual Service Payment to the City's General Fund.

Between the period of March 16, 2010, and April 7, 2011, the 2011 Lease between the thirty-nine (39) airlines and the City was approved by the Airport Commission and Board of Supervisors. On August 16, 2011 and October 25, 2011, two (2) additional airlines were approved by the Airport Commission. One has been approved by the Board of Supervisors and the other is pending approval. Staff is now seeking approval of the 2011 Lease with two (2) additional airlines, World Airways, Inc. and MN Airlines, LLC, dba Sun Country Airlines (collectively, the "Airlines") under the same terms and conditions except that the term will commence upon full approval by the City and terminate on June 30, 2021.

Background

Most of the airlines operating at the Airport were parties to the 1981 Airline/Airport Lease and Use Agreement or the 1999 Lease and Operating Agreement, all of which expired on June 30, 2011. Over the

THIS PRINT COVERS CALENDAR ITEM NO. 14

AIRPORT COMMISSION, CITY AND COUNTY OF SAN FRANCISCO

EDWIN M. LEE LARRY MAZZOLA LINDA S. CRAYTON ELEANOR JOHNS RICHARD J. GUGGENHIME PETER A. STERN JOHN L. MARTIN
MAYOR PRESIDENT VICE PRESIDENT AIRPORT DIRECTOR

past several years, the Airport and the airlines negotiated the terms of the 2011 Lease, effective July 1, 2011, which has a term of ten (10) years and continues the current residual rate-setting methodology for terminal rental rates and landing fees based on the Airport's Rates and Charges. As of October 1, 2011, of the thirty-nine (39) airlines that were approved by the Airport Commission and Board of Supervisors, thirty-eight (38) airlines have become signatory airlines pursuant to the 2011 Lease. One (1) airline, Mexicana Airlines, ceased operations, filed for bankruptcy and was unable to consummate its 2011 Lease.

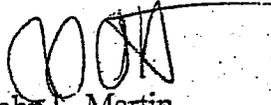
The Airport has continued to offer the 2011 Lease to any remaining airlines that wish to obtain signatory status at the Airport. Subsequently, two (2) other 2011 Leases were approved by the Airport Commission with Swiss International Air Lines, Limited ("Swiss International") and WestJet, an Alberta Partnership ("WestJet"), respectively. The Swiss International 2011 Lease has been approved by the Board of Supervisors; approval of WestJet's 2011 Lease is pending. All forty (40) signatory airlines are listed on *Attachment A*. The major business terms of this lease are comparable to all 2011 Leases previously approved and implemented.

Staff is now seeking approval of 2011 Leases with two (2) additional airlines, World Airways, Inc. ("World Airways") and MN Airlines, LLC, dba Sun Country Airlines ("Sun Country") under the same terms and conditions except that the term will commence upon full approval by the City and terminate on June 30, 2021. World Airways is a passenger and cargo airline but currently operates only cargo operations at the Airport. Sun Country is a domestic passenger airline and utilizes the International Terminal Common Use Gates and support facilities, without a need for any Exclusive Use Space.

Fees assessed to World Airways and Sun Country for the usage of the gates and support facilities will be subject to the Airport's Rates and Charges. These leases contain the same terms and conditions except that the term of these 2011 Leases will be approximately nine (9) years and three (3) months, becoming effective on the date they are fully approved by the City. Staff is now seeking Commission approval of the 2011 Leases with World Airways and Sun Country, respectively, contingent upon approval of the Board of Supervisors.

Recommendation

I recommend adoption of the accompanying resolution that approves a 2011 Lease with World Airways, Inc. and MN Airlines LLC, dba Sun Country Airlines, respectively, and authorizes the Director to execute the 2011 Leases, and directs the Commission Secretary to request Board of Supervisors' approval of such 2011 Leases in accordance with City Charter Section 9.118.


John L. Martin
Airport Director

Prepared by: Leo Fermin
Deputy Airport Director
Business and Finance

Attachments

ATTACHMENT A

Signatories to the 2011 Leases

Airline Agreement Title	Lease Number
ABX Air 2011 Lease and Use	L11-0005
Air Berlin 2011 Lease and Use	L11-0006
Air Canada 2011 Lease and Use	L11-0007
Air Cargo Carriers 2011 Lease and Use	L11-0008
Air China 2011 Lease and Use	L10-0075
Air France 2011 Lease and Use	L10-0076
Air New Zealand 2011 Lease and Use	L11-0009
Alaska Airlines 2011 Lease and Use	L10-0274
All Nippon Airways 2011 Lease and Use	L10-0077
American Airlines 2011 Lease and Use	L10-0078
Ameriflight 2011 Lease and Use	L11-0010
Asiana Airlines 2011 Lease and Use	L10-0079
British Airways 2011 Lease and Use	L10-0080
Cathay Pacific Airways 2011 Lease and Use	L10-0081
China Airlines 2011 Lease and Use	L10-0082
Continental Airlines 2011 Lease and Use	L10-0275
Delta Air Lines 2011 Lease and Use	L10-0083
Emirates 2011 Lease and Use	L10-0084
EVA Airways 2011 Lease and Use	L10-0085
Federal Express 2011 Lease and Use	L10-0086
Frontier Airlines 2011 Lease and Use	L10-0087
Hawaiian Airlines 2011 Lease and Use	L11-0011
Japan Airlines 2011 Lease and Use	L10-0088
Kalitta Air 2011 Lease and Use	L10-0277
KLM Royal Dutch Airlines 2011 Lease and Use	L10-0089
Korean Airlines 2011 Lease and Use	L10-0090
LAN Peru 2011 Lease and Use	L11-0012
Lufthansa German Airlines 2011 Lease and Use	L10-0091
Nippon Cargo Airlines 2011 Lease and Use	L10-0278
Philippine Airlines 2011 Lease and Use	L10-0093
Singapore Airlines 2011 Lease and Use	L10-0094
Southern Air 2011 Lease and Use	L10-0279
Southwest Airlines 2011 Lease and Use	L10-0095
Swiss International Air Lines 2011 Lease and Use	L11-0182
TACA 2011 Lease and Use	L10-0096
United Air Lines 2011 Lease and Use	L10-0097
U.S. Airways 2011 Lease and Use	L10-0276
Virgin America 2011 Lease and Use	L10-0098
Virgin Atlantic 2011 Lease and Use	L10-0099
WestJet 2011 Lease and Use <i>(pending approval by the Board of Supervisors)</i>	L11-0239

Note: Mexicana Lease L10-0092, approved in May 2010 was not activated.

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 12-0015

**APPROVAL OF LEASE AND USE AGREEMENTS WITH MN AIRLINES, LLC DBA
SUN COUNTRY AIRLINES FOR OPERATING RIGHTS AT SAN FRANCISCO
INTERNATIONAL AIRPORT**

WHEREAS, MN Airlines, LLC dba Sun Country Airlines ("Sun Country") conduct flight operations at San Francisco International Airport ("Airport") pursuant to Airline Operating Permit No. 4202; and

WHEREAS, Sun County wish to become a signatory airline at the Airport pursuant to a 2011 Lease and Use Agreement ("2011 Lease"), a lease comparable to one recently approved for forty (40) other airlines at the Airport; and,

WHEREAS, the 2011 Lease has a term of ten (10) years and provides for terminal rental and landing fees in accordance with the Airport's Rates and Charges; and,

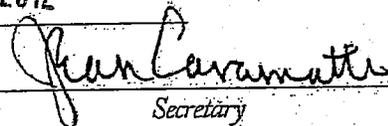
WHEREAS, the Airport Commission of the City and County of San Francisco (the "Commission") and Sun Country now desires to enter into a 2011 Lease on the same terms and conditions, except that the term will be nine (9) years and approximately three (3) months, with the exact term dependent upon full approval of the 2011 Lease by the City; now, therefore, be it

RESOLVED, that this Commission approves the 2011 Lease between MN Airlines, LLC dba Sun Country Airlines and the City, consistent with the terms of the attached memorandum, subject to MN Airlines, LLC complying with Chapter 12B of the City's Administrative Code and other City contracting requirements, or obtaining the appropriate waivers thereto; and, be it further

RESOLVED, that the Commission Secretary is hereby directed to request Board of Supervisors' approval of said 2011 Lease and Use Agreement for MN Airlines, LLC dba Sun Country Airlines pursuant to City Charter Section 9.118.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of* _____

JAN 17 2012


Secretary



San Francisco International Airport

MEMORANDUM

January 17, 2012

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenheimer
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Approval of 2011 Lease and Use Agreements with World Airways, Inc. and MN Airlines, LLC, dba Sun Country Airlines

DIRECTOR'S RECOMMENDATION: AUTHORIZE LEASE AND USE AGREEMENTS WITH WORLD AIRWAYS, INC. AND MN AIRLINES, LLC, DBA SUN COUNTRY AIRLINES FOR OPERATING RIGHTS AT SAN FRANCISCO INTERNATIONAL AIRPORT.

Executive Summary

On June 30, 2011, all 1981 Airline/Airport Lease and Use Agreements and 1999 Lease and Operating Agreements expired. San Francisco International Airport (the "Airport") and the airlines have negotiated a new Lease and Use Agreement (the "2011 Lease") to be effective July 1, 2011. The 2011 Lease has a term of ten (10) years and continues the current residual rate-setting methodology for terminal rental rates and landing fees based on the Airport's Rates and Charges. Further, the 2011 Lease continues the Annual Service Payment to the City's General Fund.

Between the period of March 16, 2010, and April 7, 2011, the 2011 Lease between the thirty-nine (39) airlines and the City was approved by the Airport Commission and Board of Supervisors. On August 16, 2011 and October 25, 2011, two (2) additional airlines were approved by the Airport Commission. One has been approved by the Board of Supervisors and the other is pending approval. Staff is now seeking approval of the 2011 Lease with two (2) additional airlines, World Airways, Inc. and MN Airlines, LLC, dba Sun Country Airlines (collectively, the "Airlines") under the same terms and conditions except that the term will commence upon full approval by the City and terminate on June 30, 2021.

Background

Most of the airlines operating at the Airport were parties to the 1981 Airline/Airport Lease and Use Agreement or the 1999 Lease and Operating Agreement, all of which expired on June 30, 2011. Over the

THIS PRINT COVERS CALENDAR ITEM NO. 14

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

EDWIN M. LEE LARRY MAZZOLA LINDA S. CRAYTON ELEANOR JOHNS RICHARD J. GUGGENHIME PETER A. STERN JOHN L. MARTIN
MAYOR PRESIDENT VICE PRESIDENT AIRPORT DIRECTOR

past several years, the Airport and the airlines negotiated the terms of the 2011 Lease, effective July 1, 2011, which has a term of ten (10) years and continues the current residual rate-setting methodology for terminal rental rates and landing fees based on the Airport's Rates and Charges. As of October 1, 2011, of the thirty-nine (39) airlines that were approved by the Airport Commission and Board of Supervisors, thirty-eight (38) airlines have become signatory airlines pursuant to the 2011 Lease. One (1) airline, Mexicana Airlines, ceased operations, filed for bankruptcy and was unable to consummate its 2011 Lease.

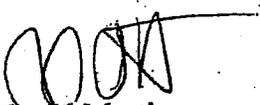
The Airport has continued to offer the 2011 Lease to any remaining airlines that wish to obtain signatory status at the Airport. Subsequently, two (2) other 2011 Leases were approved by the Airport Commission with Swiss International Air Lines, Limited ("Swiss International") and WestJet, an Alberta Partnership ("WestJet"), respectively. The Swiss International 2011 Lease has been approved by the Board of Supervisors; approval of WestJet's 2011 Lease is pending. All forty (40) signatory airlines are listed on *Attachment A*. The major business terms of this lease are comparable to all 2011 Leases previously approved and implemented.

Staff is now seeking approval of 2011 Leases with two (2) additional airlines, World Airways, Inc. ("World Airways") and MN Airlines, LLC, dba Sun Country Airlines ("Sun Country") under the same terms and conditions except that the term will commence upon full approval by the City and terminate on June 30, 2021. World Airways is a passenger and cargo airline but currently operates only cargo operations at the Airport. Sun Country is a domestic passenger airline and utilizes the International Terminal Common Use Gates and support facilities, without a need for any Exclusive Use Space.

Fees assessed to World Airways and Sun Country for the usage of the gates and support facilities will be subject to the Airport's Rates and Charges. These leases contain the same terms and conditions except that the term of these 2011 Leases will be approximately nine (9) years and three (3) months, becoming effective on the date they are fully approved by the City. Staff is now seeking Commission approval of the 2011 Leases with World Airways and Sun Country, respectively, contingent upon approval of the Board of Supervisors.

Recommendation

I recommend adoption of the accompanying resolution that approves a 2011 Lease with World Airways, Inc. and MN Airlines LLC, dba Sun Country Airlines, respectively, and authorizes the Director to execute the 2011 Leases, and directs the Commission Secretary to request Board of Supervisors' approval of such 2011 Leases in accordance with City Charter Section 9.118.


John L. Martin
Airport Director

Prepared by: Leo Fermin
Deputy Airport Director
Business and Finance

Attachments

ATTACHMENT A

Signatories to the 2011 Leases

Airline Agreement Title	Lease Number
ABX Air 2011 Lease and Use	L11-0005
Air Berlin 2011 Lease and Use	L11-0006
Air Canada 2011 Lease and Use	L11-0007
Air Cargo Carriers 2011 Lease and Use	L11-0008
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Air France 2011 Lease and Use	L10-0076
Air New Zealand 2011 Lease and Use	L11-0009
Alaska Airlines 2011 Lease and Use	L10-0274
All Nippon Airways 2011 Lease and Use	L10-0077
American Airlines 2011 Lease and Use	L10-0078
Ameriflight 2011 Lease and Use	L11-0010
Asiana Airlines 2011 Lease and Use	L10-0079
British Airways 2011 Lease and Use	L10-0080
Cathay Pacific Airways 2011 Lease and Use	L10-0081
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TACA 2011 Lease and Use	L10-0096
United Air Lines 2011 Lease and Use	L10-0097
U.S. Airways 2011 Lease and Use	L10-0276
Virgin America 2011 Lease and Use	L10-0098
Virgin Atlantic 2011 Lease and Use	L10-0099
WestJet 2011 Lease and Use <i>(pending approval by the Board of Supervisors)</i>	L11-0239

Note: Mexicana Lease L10-0092, approved in May 2010 was not activated.

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 12-0027

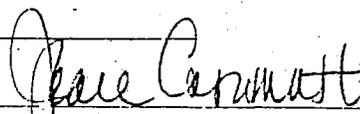
APPROVAL OF A 2011 LEASE AND USE AGREEMENT WITH JETBLUE AIRWAYS CORPORATION AT SAN FRANCISCO INTERNATIONAL AIRPORT

- WHEREAS,** JetBlue Airways Corporation (“**Airline**”) conducts flight operations at San Francisco International Airport (“**Airport**”) pursuant to Airline Operating Permit No. 4203; and
- WHEREAS,** the Airline wishes to become a signatory airline at the Airport pursuant to a 2011 Lease and Use Agreement (“**2011 Lease**”), a lease comparable to one recently approved for forty two (42) other airlines at the Airport; and
- WHEREAS,** the 2011 Lease has a term of ten (10) years and provides for terminal rental and landing fees in accordance with the Airport’s Rates and Charges; and
- WHEREAS,** the Airport Commission of the City and County of San Francisco (“**City**”) and Airline now desires to enter into the 2011 Lease on the same terms and conditions, except that the term will be nine (9) years and approximately three (3) months, with the exact term dependent upon full approval of the 2011 Lease by the City; now, therefore, be it
- RESOLVED,** that this Commission approves the 2011 Lease between JetBlue Airways Corporation and the City consistent with the terms of the attached memorandum, subject to the Airline complying with Chapter 12B of the City’s Administrative Code and other City contracting requirements or obtaining the appropriate waivers thereto; and, be it further
- RESOLVED,** that the Commission Secretary is hereby directed to request Board of Supervisors’ approval of said 2011 Lease and Use Agreement for JetBlue Airways Corporation pursuant to City Charter Section 9.118.

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of _____

JAN 31 2012





San Francisco International Airport

MEMORANDUM

January 31, 2012

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenheimer
Hon. Peter A. Stern

FROM: Airport Director

SUBJECT: Approval of a 2011 Lease and Use Agreement with JetBlue Airways Corporation

DIRECTOR'S RECOMMENDATION: APPROVE A 2011 LEASE AND USE AGREEMENT WITH JETBLUE AIRWAYS CORPORATION AT SAN FRANCISCO INTERNATIONAL AIRPORT.

Executive Summary

On June 30, 2011, all 1981 Airline/Airport Lease and Use Agreements and 1999 Lease and Operating Agreements expired. San Francisco International Airport (the "Airport") and the airlines have negotiated a new Lease and Use Agreement (the "2011 Lease") effective July 1, 2011. The 2011 Lease has a term of ten (10) years and continues the current residual rate-setting methodology for terminal rental rates and landing fees based on the Airport's Rates and Charges. Further, the 2011 Lease continues the Annual Service Payment to the City's General Fund.

Between the period of March 16, 2010 and April 7, 2011, the 2011 Leases between the thirty-nine (39) airlines and the City were approved by the Airport Commission and Board of Supervisors. Since that time, four (4) additional 2011 Leases were approved by the Airport Commission. One has been approved by the Board of Supervisors and the others are pending approval. Staff is now seeking approval of the 2011 Lease with JetBlue Airways Corporation ("JetBlue") under the same terms and conditions, except that the term will commence upon full approval by the City and terminate on June 30, 2021.

THIS PRINT COVERS CALENDAR ITEM NO. 10

Background

Most of the airlines operating at the Airport were parties to the 1981 Airline/Airport Lease and Use Agreement or the 1999 Lease and Operating Agreement, all of which expired on June 30, 2011. Over the past several years, the Airport and the airlines negotiated the terms of the 2011 Lease, which was effective July 1, 2011, has a term of ten (10) years, and continues the current residual rate-setting methodology for terminal rental rates and landing fees based on the Airport's Rates and Charges. As of January 17, 2012, of the forty two (42) airlines that were approved by the Airport Commission and Board of Supervisors, thirty-eight (38) airlines have become signatory airlines pursuant to the 2011 Lease. One (1) airline, Mexicana Airlines, ceased operations, filed for bankruptcy and was unable to consummate its 2011 Lease. Four (4) additional Leases were approved by the Airport Commission: Swiss International, World Airways, MN Airlines dba Sun Country Airlines, and WestJet. Swiss International has received Board of Supervisors approval while the remaining three (3) airlines are currently awaiting approval, all as listed on *Attachment A* hereto. The major business terms of this lease are comparable to all 2011 Leases previously approved and implemented.

The Airport has continued to offer the 2011 Lease to any remaining airlines that wish to obtain signatory status at the Airport. On January 5, 2012, JetBlue executed and returned the 2011 Lease, for rental of Exclusive space in the International Terminal, as summarized in *Attachment B*, and use of the International Terminal Common Use Gates and support facilities. Fees assessed to JetBlue for the Exclusive space and usage of the gates, and support facilities will be subject to the Airport's Rates and Charges. This lease for JetBlue contains the same terms and conditions, except that the term of this 2011 Lease will be approximately nine (9) years and three (3) months, becoming effective on the date this 2011 Lease is fully approved by the City. Staff is now seeking Commission approval of the 2011 Lease with JetBlue, contingent upon approval of the Board of Supervisors.

Recommendation

I recommend adoption of the accompanying resolution that approves a 2011 Lease with JetBlue, authorizes the Director to execute a 2011 Lease, and directs the Commission Secretary to request Board of Supervisors' approval of such 2011 Lease in accordance with City Charter Section 9.118.



John L. Martin
Airport Director

Prepared by: Leo Fermin
Deputy Airport Director
Business and Finance

Attachments

ATTACHMENT A
Signatories to the 2011 Leases

Airline Agreement Title	Lease Number
ABX Air 2011 Lease and Use	L11-0005
Air Berlin 2011 Lease and Use	L11-0006
Air Canada 2011 Lease and Use	L11-0007
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Alaska Airlines 2011 Lease and Use	L10-0274
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Kalitta Air 2011 Lease and Use	L10-0277
KLM Royal Dutch Airlines 2011 Lease and Use	L10-0089
Korean Airlines 2011 Lease and Use	L10-0090
LAN Peru 2011 Lease and Use	L11-0012
Lufthansa German Airlines 2011 Lease and Use	L10-0091
MN Airlines, LLC dba Sun Country Airlines 2011 Lease and Use Agreement <i>(pending approval by the Board of Supervisors)</i>	Pending
Nippon Cargo Airlines 2011 Lease and Use	L10-0278
Philippine Airlines 2011 Lease and Use	L10-0093
Singapore Airlines 2011 Lease and Use	L10-0094
Southern Air 2011 Lease and Use	L10-0279
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Swiss International Air Lines 2011 Lease and Use	L11-0182
TACA 2011 Lease and Use	L10-0096
United Air Lines 2011 Lease and Use	L10-0097
U.S. Airways 2011 Lease and Use	L10-0276
Virgin America 2011 Lease and Use	L10-0098
Virgin Atlantic 2011 Lease and Use	L10-0099
WestJet 2011 Lease and Use <i>(pending approval by the Board of Supervisors)</i>	L11-0239
World Airways 2011 Lease and Use Agreement <i>(pending approval by the Board of Supervisors)</i>	Pending

ATTACHMENT B

Exclusive Use Space Summary (in square feet)

<u>Airline</u>	<u>Categories of Rent</u>				
	<u>Cat I</u>	<u>Cat II</u>	<u>Cat III</u>	<u>Cat IV</u>	<u>Cat V</u>
Jet Blue Airways Corporation	-	1,762	1,262	502	410

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, SF Board of Supervisors	City elective office(s) held: Members, SF Board of Supervisors
Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: JetBlue Airways Corporation	
<i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i>	
1) Board of Directors: Joel Peterson – Chairman of the Board; Frank Sica – Vice Chairman of the Board; Dave Barger; Jens Bischof; Peter Boneparth; David Checketts; Virginia Gambale; Stephan Gemkow; Ellen Jewett; Stanley McChrystal; Ann Rhoades; Dennis Glazer	
2) Dave Barger – CEO; Mark D. Powers – CFO; Robert Maruster – COO	
3) No person has ownership of 20 or more percent of JetBlue stock	
4) No subcontractors in the bid or contract	
5) JetBlue has created a PAC which is named JetBlue Airways Corporation Crewmember Good Government Fund	
Contractor address: 118-29 Queens Boulevard, Forest Hills, NY 11375	
Date that contract was approved: TBD	Amount of contract: TBD each FY
Describe the nature of the contract that was approved: 2011 Airport/Airline Lease & Use Agreement	
Comments:	

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves San Francisco Board of Supervisors

Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board of Supervisors	Contact telephone number: (415) 554-5184
Address: 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102-4689	E-mail: Board.of.Supervisors@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, SF Board of Supervisors	City elective office(s) held: Members, SF Board of Supervisors
Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: MN Airlines, LLC d/b/a Sun Country Airlines	
<i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i>	
Martin E. Davis, Chairman Stanley J. Gadek, President & CEO Mark E. Davis, Director	Jonathon W. Davis, Director James T. Ward, Director
Contractor address: 1300 Mendota Heights Road, Mendota Heights, MN 55120	
Date that contract was approved:	Amount of contract: TBD each FY
Describe the nature of the contract that was approved: 2011 Airport/Airline Lease & Use Agreement	
Comments:	

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves San Francisco Board of Supervisors
Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board of Supervisors	Contact telephone number: (415) 554-5184
Address: 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102-4689	E-mail: Board.of.Supervisors@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, SF Board of Supervisors	City elective office(s) held: Members, SF Board of Supervisors
Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: World Airways	
Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary. (1) Robert R. Binns, Charles P. McDonald, Williams A. Garrett (2) The contractor does not have a named CEO; William A. Garrett is the CFO and Charles P. McDonald is the Acting COO (3) The contractor is a wholly-owned subsidiary of Global Aviation Holdings, Inc. (4) None. (5) None.	
Contractor address: 101 World Drive, Peachtree City, GA 30269	
Date that contract was approved:	Amount of contract: TBD each FY
Describe the nature of the contract that was approved: 2011 Airport/Airline Lease & Use Agreement	
Comments:	

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves **San Francisco Board of Supervisors**

Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

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Name of filer: Angela Calvillo, Clerk of the Board of Supervisors	Contact telephone number: (415) 554-5184
Address: 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102-4689	E-mail: Board.of.Supervisors@sfgov.org

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FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, SF Board of Supervisors	City elective office(s) held: Members, SF Board of Supervisors
Contractor Information <i>(Please print clearly.)</i>	
Name of contractor: WestJet, an Alberta Partnership	
<i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i>	
Board Members: Clive Beddoe (Chairman), Gregg Saretsky, Brett Godfrey, Don Hougan, Allan Jackson, Ron Brennehan, Barry Jackson, Wilmot Matthews, Larry Pollock, Arthur Scace, Hugh Bolton	
Contractor address: 22 Aerial Place NE, Calgary, AB T2E 3J1	
Date that contract was approved:	Amount of contract: TBD each FY
Describe the nature of the contract that was approved: 2011 Airport/Airline Lease & Use Agreement	
Comments:	

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves San Francisco Board of Supervisors

Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board of Supervisors	Contact telephone number: (415) 554-5184
Address: 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102-4689	E-mail: Board.of.Supervisors@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed